

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES  
**LOK SABHA**

**UNSTARRED QUESTION NO. 3419**

TO BE ANSWERED ON 4<sup>th</sup> August, 2017/Shravana 13, 1939 (Saka)

**Unfair Business Practices of Insurance Companies**

3419. SHRI SANJAY DHOTRE:  
SHRI RAHUL SHEWALE:

DR. SATYAPAL SINGH:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has taken cognizance of increasing complaints against the public and private sector general insurance companies under the category of unfair business practice at the point of sale during each of the last three years and the current year;
- (b) if so, the details thereof, company-wise and the reasons therefor along with the action taken/being taken by the Government/IRDAI on such complaints;
- (c) whether the Government/IRDAI has fixed any time-frame to resolve such complaints;
- (d) if so, the details thereof along with the number of complaints that have not been resolved in the fixed time frame during the last three years and the current year and if not, the reasons therefor;
- (e) whether the Government/IRDAI has laid down guidelines to curb such unfair business practice at the point of sale;
- (f) if so, the details thereof along with the name of such companies penalised for non-compliance of such guidelines during the said period, company-wise; and
- (g) the other corrective steps taken/ being taken by the Government in this direction?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI SANTOSH KUMAR GANGWAR)

**(a) to (g):** Insurance Regulatory and Development Authority of India (IRDAI) has launched the **Integrated Grievance Management System (IGMS)** that offers an online mechanism to policyholders to register complaints against insurance companies and track them. A statement showing all types of complaints received against both public and private general insurers during the last 3 years and the current year is given in Annexure.

IRDAI tracks the action of various insurers on such complaints and monitors resolution as per laid down time frame. The Authority has prescribed a time limit of 15 days for insurers to provide their final resolution to complaints.

IRDAI has notified IRDAI (Protection of Policyholders' Interests) Regulations, 2017. Vide Regulation 5(1)(iv) of the said Regulations, the Authority has mandated insurers to have in place a board approved policy detailing steps to be taken to prevent mis-selling and unfair business practices at point of sale and service.

Further, IRDA (Advertisement and Disclosure) Regulations, 2000 and other guidelines relating to advertisements are aimed at ensuring that any communication (including those on the internet) which directly or indirectly result in eventual sale or solicitation of policy should not be unfair or misleading.

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## Annexure referred to in reply to Lok Sabha Un-Starred Question No. 3419 for 04.08.2017

## Complaints received against all General Insurers during last 3 years and current year

Compliance of Insurers against the General Insurance Licensing (2014) Regulations and current year																		
S.No	Name of the Insurer	2014-15				2015-16				2016-17				Apr 2017 - Jun 2017				
		Opening Balance	Reported during the year	Attended to during the year	Pending at the end of the year	Opening Balance	Reported during the year	Attended to during the year	Pending at the end of the year	Opening Balance	Reported during the year	Attended to during the year	Pending at the end of the year	Opening Balance	Reported during the year	Attended to during the year		
1	Agriculture Insurance Company of India Ltd.*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
3	53	2	ECGC of India Ltd.	43	46	43	46	46	10	1	55	55	8	11	52	52	4	
817	475	3	National Insurance Co. Ltd.	256	4740	4821	175	175	4933	4928	180	180	4680	4671	189	189	110	
733	284	4	The New India Assurance Co. Ltd.	99	3204	3201	102	102	4087	4050	139	139	4208	4312	35	35	1	
636	316	438	5	The Oriental Insurance Co. Ltd.	66	2165	2172	59	59	2555	2485	129	129	2673	2672	130	130	
2279	1776	615	6	United India Insurance Co. Ltd.	218	5705	5868	55	55	6221	6254	22	22	7484	7394	112	112	
5876	3645	1865	(i) Total - PSU insurers	682	15860	16105	437	437	17806	17718	525	525	19053	19060	518	518	518	
20	20	1	1	Aditya Birla Health Insurance Co. Ltd.	-	-	-	-	-	-	-	-	0	5	4	1	-	
267	260	15	2	Apollo MUNICH Health Insurance Co. Ltd.	3	2061	2051	13	13	978	987	4	4	1097	1081	20	-	
7	215	185	37	3	Bajaj Allianz General Insurance Co. Ltd.	5	4770	4571	204	204	1756	1911	49	49	917	959	7	
7	821	762	52	4	Bharati Axa General Insurance Co. Ltd.	0	4586	4481	105	105	4198	4266	37	37	3579	3609	7	
3	186	184	1	5	Cholamandalam MS General Insurance Co. L	10	2508	2415	103	103	2163	2256	10	10	1670	1677	7	
8	8	166	145	17	6	Cigna TTK Health Insurance Co. Ltd.	0	75	71	4	4	334	332	6	6	1020	1018	-
3	3	458	440	10	7	Future Generali India Insurance Co. Ltd.	0	3727	3727	0	0	4251	4250	1	1	2075	2073	-
0	0	326	296	15	8	HDFC ERGO General Insurance Co. Ltd.	2	2086	2065	23	23	2879	2866	16	16	2900	2916	-
88	88	823	827	62	9	ICICI Lombard General Insurance Co. Ltd.	24	5930	5582	372	372	4974	5256	90	90	3587	3589	-
1	1	382	332	44	10	IFFCO Tokio General Insurance Co. Ltd.	9	2043	1889	163	163	1355	1517	1	1	1781	178	-
23	2	2	16	17	0	11	Kotak General Insurance Co. Ltd.	-	-	-	-	-	0	0	0	25	-	
409	0	0	92	88	4	12	L&T General Insurance Co. Ltd.	1	431	427	5	5	335	340	0	0	409	-
315	3	3	73	70	4	13	Liberty Videocon General Insurance Co. Ltd.	0	356	350	6	6	524	527	3	3	315	-
96	17	17	20	21	16	14	Magma HDI General Insurance Co. Ltd.	0	101	92	9	9	151	160	0	0	113	-
42	802	0	0	183	175	0	15	Max Bupa Health Insurance Co. Ltd.	2	427	429	0	0	620	620	0	0	8
0	0	0	0	0	0	0	16	Raheja QBE General Insurance Co. Ltd.	0	0	0	0	0	0	0	0	0	-
1287	1324	9	9	152	159	2	17	Reliance General Insurance Co. Ltd.	40	1762	1735	67	67	1500	1521	46	46	-
895	901	0	0	195	146	12	18	Religare Health Insurance Co. Ltd.	0	423	421	2	2	564	560	6	6	-
2	808	824	6	6	255	220	15	19	Royal Sundaram Alliance	2	4976	4912	66	66	2551	2595	22	2
61	1117	1123	55	55	193	127	121	20	SBI General Insurance Co. Ltd.	42	1325	1050	317	317	1136	1392	61	-
0	214	214	0	0	59	57	0	21	Shriram General Insurance Co. Ltd.	0	135	135	0	0	120	120	0	-
93	6434	6490	37	37	873	823	83	22	Star Health and Allied Insurance Co. Ltd.	12	2785	2631	166	166	7093	7166	93	-
1	1473	1473	1	1	259	244	6	23	Tata- AIG General Insurance Co. Ltd.	0	3963	3926	37	37	3422	3458	1	-
0	0	528	528	0	0	115	112	0	24	Universal Sompo General Insurance Co. Ltd.	0	358	358	0	0	373	373	-
446	446	33051	33229	268	268	6149	5710	517	Total Private Insurers	152	44828	43318	1662	1662	41277	42493	-	
971	971	52104	52289	786	786	11175	9355	2382	Grand Total [(i)+(ii)]	834	60688	59423	2099	2099	59083	60211	-	